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Chapter 7 Trustee
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8 **UNITED STATES BANKRUPTCY COURT**

9 **CENTRAL DISTRICT OF CALIFORNIA**

10 **SANTA ANA DIVISION**

11
12 In re Case No. 8:21-bk-11710-SC
13 JAMIE LYNN GALLIAN, Chapter 7
14 Debtor.

15 JEFFREY I. GOLDEN, Chapter 7 Trustee, Adv. No. 8:23-ap-01064-SC
16 Plaintiff,
17 vs.
18 J-SANDCASTLE CO., LLC; J-PAD LLC;
STEVEN D. GALLIAN; BRIAN J.
GALLIAN; JUSTIN BARCLAY; RONALD
J. PIERPONT; ROBERT J. MCLELLAND;
AND E. J. GALLIAN,
19 Defendants.
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**STATUS REPORT FOR PRETRIAL
CONFERENCE AND REQUEST TO
DISMISS REMAINING ALTERNATIVE
AND ADDITIONAL CLAIMS FOR
RELIEF**

Pretrial Conference:
Date: June 18, 2024
Time: 1:30 p.m.
Place: Courtroom 5C
411 W. Fourth Street
Santa Ana, California 92701

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24 **TO THE HONORABLE SCOTT C. CLARKSON, UNITED STATES BANKRUPTCY**
25 **JUDGE:**

26 Plaintiff Jeffrey I. Golden, as the Chapter 7 Trustee (the “Trustee” or “Plaintiff”) for the
bankruptcy estate of Jamie Lynn Gallian (the “Debtor”), submits the following Status Report for
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1 Pretrial Conference and Request for Dismissal of Remaining Alternative and Additional Claims for
2 Relief.

3 As set forth in this status report, judgments have now been entered against all of the
4 defendants and any remaining alternative claims can be dismissed, without prejudice, and the
5 adversary proceeding closed.

6

7 **A. Adversary Proceeding Background Facts**

8 On or about June 30, 2023, the Trustee initiated this adversary proceeding by filing a
9 *Complaint: (1) to Avoid and Recover Fraudulent Transfers; (2) to Avoid and Recover Postpetition*
10 *Transfers; (3) for Declaratory Relief; (4) for Breach of Contract; (5) for Money Had and Received;*
11 *and (6) Unjust Enrichment* (the “Complaint”) against Ronald J. Pierpont, J-Pad LLC, J-Sandcastle
12 Co., LLC, Steven D. Gallian, Brian J. Gallian, Justin Barclay, Robert J. McLelland, and E. J.
13 Gallian (collectively, the “Defendants”). The complaint included ten claims for relief. The first
14 through seventh claims for relief were against all the Defendants. The eighth, ninth, and tenth
15 claims for relief were against defendant J-Pad LLC only.

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17 **B. Stipulated Judgements**

18 Pursuant to stipulations with defendants Steven D. Gallian, Brian J. Gallian, Justin Barclay,
19 E. J. Gallian and Robert J. McLelland (collectively, the “Stipulating Defendants”) (*docket nos. 43*
20 *and 52*), a stipulated judgment was entered against defendants Steven D. Gallian, Brian J. Gallian,
21 Justin Barclay, E. J. Gallian on or about October 3, 2023 (*docket no. 47*) and a stipulated judgment
22 was entered against defendant Robert J. McLelland on or about March 29, 2024 (*docket no. 66*).

23 The stipulated judgments granted relief in favor of the Trustee resolving the Trustee’s first,
24 second, third, fourth, fifth and sixth claims for relief (fraudulent transfer, post-petition transfer and
25 declaratory relief claims) against the Stipulating Defendants. The only unresolved claim against
26 the Stipulating Defendants was the Trustee’s seventh claim for relief for turnover.

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1 **C. Default Judgments**

2 Pursuant to motions for default judgment filed by the Trustee with respect to defendants
3 Ronald J. Pierpont, J-Pad LLC, and J-Sandcastle Co., LLCs (collectively, the “Defaulting
4 Defendants”) (*docket nos. 58, 59, and 76*), default judgments were entered against the Defaulting
5 Defendants on or about May 10, 2024 (*docket nos. 79, 81, and 83*).

6 The default judgment against defendant Ronald J. Pierpont granted relief in favor of the
7 Trustee on the Trustee’s fifth and sixth claims for relief (post-petition transfer and declaratory relief
8 claims). The Trustee’s alternative and additional claims for relief for fraudulent transfers (i.e., the
9 first, second, third, and fourth claims) and for turnover (seventh claim) were not resolved by the
10 default judgment. *See* docket no. 83.

11 The default judgment against defendant J-Pad LLC granted relief in favor of the Trustee on
12 the Trustee’s first and fifth claims for relief (fraudulent transfer and post-petition transfer claims).
13 The Trustee’s alternative and additional claims for relief for fraudulent transfers (i.e., the second,
14 third, and fourth claims), declaratory relief (sixth claim), for turnover (seventh claim) and breach of
15 contract and unjust enrichment (eighth, ninth and tenth claims for relief) were not resolved by the
16 default judgment. *See* docket no. 79.

17 The default judgment against defendant J-Sandcastle Co., LLC granted relief in favor of the
18 Trustee on the Trustee’s first claim for relief (fraudulent transfer claim). The Trustee’s alternative
19 and additional claims for relief for fraudulent transfers (i.e., the second, third, and fourth claims),
20 post-petition transfers (fifth claim), declaratory relief (sixth claim), and for turnover (seventh
21 claim) were not resolved by the default judgment. *See* docket no. 81.

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23 **D. Request to Dismiss Remaining Alternative and Additional Claims for Relief**

24 The Trustee believes that he has obtained the relief that he requires against the Defendants
25 as reflected in the stipulated and default judgments. Thus, the Trustee no longer needs to pursue
26 the remaining claims against the Defendants in light of his judgments, and requests that the Court
27 dismiss his alternative and remaining claims against the Defendants, without prejudice, as set forth
28 as follows:

- 1 1. Stipulating Defendants – dismiss the seventh claim for relief;
- 2 2. Ronald J. Pierpont – dismiss the first, second, third, fourth, and seventh claims for
3 relief;
- 4 3. J-Pad LLC – dismiss the second, third, fourth, sixth, seventh, eighth, ninth, and tenth
5 claims for relief; and
- 6 4. J-Sandcastle Co., LLC – dismiss the second, third, fourth, fifth, sixth, and seventh
7 claims for relief.

8 The Trustee further requests all other appropriate relief.

9

10 DATED: June 4, 2024

DANNING, GILL, ISRAEL & KRASNOFF, LLP

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12 By: /s/ Aaron E. de Leest

13 AARON E. DE LEEST
14 Attorneys for Plaintiff Jeffrey I. Golden,
15 Chapter 7 Trustee

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PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is 1901 Avenue of the Stars, Suite 450, Los Angeles, CA 90067-6006.

A true and correct copy of the foregoing document entitled (*specify*): STATUS REPORT FOR PRETRIAL CONFERENCE AND REQUEST TO DISMISS REMAINING ALTERNATIVE AND ADDITIONAL CLAIMS FOR RELIEF will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On June 4, 2024 I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

Service information continued on attached page.

2. SERVED BY UNITED STATES MAIL:

On June 4, 2024, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Service information continued on attached page.

3. SERVED BY OVERNIGHT MAIL: Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on June 4, 2024, I served the following persons and/or entities by overnight mail service, as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Hon. Scott R. Clarkson
U.S. Bankruptcy Court,
411 West Fourth Street, Suite 5130
Santa Ana, CA 92701-4593

Service information continued on attached page.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

June 4, 2024
Date

Beverly Lew
Printed Name

/s/ Beverly Lew
Signature

ADDITIONAL SERVICE INFORMATION (if needed):

1. SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (“NEF”)

Bradford Barnhardt on behalf of Interested Party Courtesy NEF
bbarnhardt@marshackhays.com, bbarnhardt@ecf.courtdrive.com, alinares@ecf.courtdrive.com

Aaron E. DE Leest on behalf of Plaintiff Jeffrey I. Golden
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Aaron E. DE Leest on behalf of Trustee Jeffrey I Golden (TR)
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Robert P Goe on behalf of Interested Party The Huntington Beach Gables Homeowners Association
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Laila Masud on behalf of Interested Party Courtesy NEF
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United States Trustee (SA)
ustpregion16.sa.ecf@usdoj.gov

2. SERVED BY UNITED STATES MAIL:

Attys. for Defendants Steven D. Gallian, Brian J. Gallian, <u>Justin Barclay, and E. J. Gallian</u> Leonard M. Shulman, Esq. Shulman Bastian Friedman & Bui LLP 100 Spectrum Center Dr. Ste. 600 Irvine, CA 92618-4969	Robert J. McLelland 2027 S. Broadway Santa Ana, CA 92707	J-Sandcastle Co., LLC Jamie Lynn Gallian, Managing Member 16222 Monterey Ln, Unit 376 Huntington Beach, CA 92649
J-Pad LLC Jamie Lynn Gallian, Managing Member 16222 Monterey Ln, Unit 376 Huntington Beach, CA 92649	Ronald J. Pierpont 4519 Ponderosa Way Yorba Linda, CA 92886	